31 July 1974

Chairman, Economic Intelligence Committee MEMORANDUM FOR:

SUBJECT

Annual Report of Activities of Shipbuilding

Subcommittee and China Seapower Working Group,

Fiscal Year 1974

Review of the Intelligence Product in the Subcommittee's Field of Competence.

Neither the Shipbuilding Subcommittee nor the China Seapower Working Group have formal responsibilities for review of the intelligence product of the member agencies. Activities are instead focused on presentations at the monthly meetings and review of substantive papers.

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	2.	Substanti	ve papers	reviewed	bу	the	Ship	build	ling	Subco	mmitt	ee
inc1	ıded											
						I	he C	hina	Sear	ower	Morki	ng
Grou	p re	viewed no	papers.									

Projects Undertaken at the Request of EIC or Proposed to the EIC.

None

Intelligence Research Techniques.

No activity undertaken.

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Special Coordination Function of the Subcommittee.

The China Seapower Working Group had no formal coordination functions although the members of the executive committee met periodically

DIA review(s) completed.

to assign class names to Chinese naval units. This group sought but were denied official sanction to research and publish an interagency study on Chinese cruise missiles.



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## Evaluation of the Role of the Subcommittee.

The Shipbuilding Subcommittee of the EIC, as presently constituted, appears to have outlived its usefulness as an interagency forum to discuss problems related to Soviet shipbuilding. The subcommittee provides a restricted forum for discussion by a few analysts and photo interpreters of specific issues, thereby avoiding topics which conceivably fall in the purview of other committees. There is a need to broaden the charter of such a committee to discuss other naval matters such as operations, strategy, weapons development, and tactics. At present with the splintering of the Soviet naval problem between the EIC, SIC, GMAIC and JAEIC there is no central forum for discussion other than the annual The EIC Shipbuilding Subcommittee has not been a suitable forum to bring together all

the parts of the puzzle and the naval subcommittees of the other USIB committees appear to suffer similar shortcomings.

The China Seapower Working Group, on the other hand, discusses a broad spectrum of China's shipbuilding, marine transportation, and naval activities, and recently expanded to include comparable discussions on North Korea. Discussions on naval activity include operations, capabilities, weapon systems, indluding missiles, weapon research and development, and oceanography. The chairman of the CSWG reports that he and the working group representatives are pleased with the present structure of the organization. Perhaps, the Shipbuilding Subcommittee could reorganize along the lines of this working group.

The Chairman and Executive Secretary of the Shipbuilding Subcommittee, with the aid of the Agency Members, are presently reviewing the charter, and will submit shortly a proposal for a reorientation of the Shipbuilding Subcommittee.

Chairman, Subcommittee on Shipbuilding

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Executive Secretary Subcommittee on Shipbuilding

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## **ECONOMIC INTELLIGENCE COMMITTEE**

EIC-D-789 6 August 1974

MEMORANDUM FOR: Member, Economic Intelligence Committee

SUBJECT: Appointment of New Executive Secretary,
EIC Subcommittee on Shipbuilding

Effective immediately, Central

Intelligence Agency, has been appointed Executive Secretary,

EIC Subcommittee on Shipbuilding, vice 25X1

Central Intelligence Agency, reassigned.

MAURICE C. ERNST Chairman

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